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Market Development Reports Food Business Line - Periodic Press Translations 2006

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Report Highlights: Shuji Abe, President of *Yoshinoya D&C Co.*, said at a recent company's press conference that sales were boosted by the popularity of beef bowls made from U.S. beef. Prices of fish and seafood products are increasing due to increased demand worldwide. Sales of minivegetables such as pumpkins, Daikon radishes and cucumbers are gaining popularity among singles and the elderly. Mini-vegetables are easier to handle, fresh longer, and slower to spoil than standard vegetables.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Tokyo ATO [JA2]



Food Business Line

Periodic Press Translations from ATO Tokyo Vol. VI, Issue 8, October 1-31, 2006

Retail/Wholesale

- Lawson Inc. will sell vegetables and fruits at all Natural Lawson stores in Japan. In addition, the company plans to increase the number of Natural Lawson stores to 300 in the next couple of years. (b. 10/18)
- According to the mid-year financial statements of 40 major supermarkets, more companies saw their sales increase during the first half of the year. However, food sales were about the same or worse compared to the previous six months due to the increase of wholesale prices for fresh produce, meat and seafood. (f 10/30)

Food Service

- Shuji Abe, President of *Yoshinoya D&C Co.*, said at a recent company's press conference that sales were boosted by the popularity of beef bowls made from U.S. beef. (b.10/9)
- Royal Holdings Co. participated at the end of October in the food education for the elderly demonstration, which was organized by the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF). A representative from Royal Holdings said that it was unexpected that many elderly preferred meat dishes to light Japanese style dishes. (b. 10/20)
- Freshness Co., which operates the Freshness Burger restaurants, will start serving for the first time organic coffee at all 180 outlets. (b. 10/23)
- Starting on November 17, *Pepper Food Service Co.*, which operate *Pepper Lunch Steak Houses*, will serve only 10 U.S. beefsteaks once a month at their 180 outlets. (b. 10/30)

Food Processing/New Products/Market Trends

- French jams are becoming popular at department stores and convenience stores. Even though prices are higher than standard jams, French jams are selling well because of their unique ingredients such as avocado, cauliflower and lemon. (b. 10/9)
- Imports of some agricultural products have decreased rapidly because of the implementation of the positive list system in May. For example, import of fresh shiitake mushrooms have decreased by 41% and imports of fresh mangoes decreased by 30% from last year. Imports of garlic sprouts and snow peas also decreased since the implementation of the list. (b. 10/9)
- Extra virgin olive oil has been gaining increased attention from retailers. Retailers have started to accept orders for this seasonal product, which will arrive in stores beginning late November. (b. 10/23)
- Drinks with the certificate of "Food for Specific Health Uses" such as body-fat conscious tea and coffee are selling well in Japan, where consumers are concerned about lifestyle-related illnesses. (a. 10/26)
- At the end of October to celebrate Halloween, several confectionery companies and retailers sold cakes and cookies, where pumpkins were used as an ingredient. These companies also expect to provide promotional products for Valentine's Day. (b. 10/16)
- Prices of fish and seafood products are increasing due to increased demand worldwide.
 Supermarkets are decreasing slices of *sashimi* (sliced raw fish) per pack and restaurants are changing their menus. (a. 10/31)

- Sales of mini-vegetables such as pumpkins, Daikon radishes and cucumbers are gaining popularity among singles and the elderly. Mini-vegetables are easier to handle, fresh longer, and slower to spoil than standard vegetables. (a. 10/21)
- Japan's annual fishing quota for the southern blue fin tuna will be halved to 3,000 tons for five years beginning in 2007. The quota was 6,065 tons in 2006. (a. 10/17)

Food Safety/Consumer Awareness

Some major distributors are planning on buying from farmers only agricultural products that are produced by GAP (Good Agricultural Practice) standards. The reason for this change is to ensure consumers of the safety of agricultural products in the market. Information on production history including pesticide applications records is to be available to consumers. Currently, each distributor's standards are varied and tend to confuse farmers. (f.10/9)

ATO/Cooperator/Competitor Activities/Trade Shows

- The U.S. Dairy Export Council will start promotional activities such as menu seminars for U.S. table cheese to introduce a variety of specialty cheeses that are new to the Japanese market. (f. 10/30)
- Mr. Louis Ng, Asia Area Director of California Pistachio Commission, recently announced to reporters that there is potential demand for California pistachios in the Japanese healthoriented market. (f. 10/23)
- The "Travel to Australia" consumer campaign to commemorate 2006 as the Japan-Australia Friendship Year was organized by *Meat and Livestock Australia* (MLA) in collaboration with *Wolf Blass Winery* and *Qantas Airways Ltd.* More than 4,000 retailers were expected to have participated in the campaign. (f. 10/23)
- The *California Table Grape Commission* announced its new marketing plan for Japan. The Commission's activities will highlight the nutritional benefits of grapes and will promote the phrase "eat grapes skin and all." (f. 10/12)

♥ Sources ₺

- (a) The Japan Economic Newspaper
- (c) The Japan Food Journal
- (e) The Japan Food News
- (g) Fuji Sankei Business I
- (i) Nihon Keizai Shimbun

- (b) The Nikkei Marketing Journal
- (d) The Beverage & Food News Commentary
- (f) The Food Industry News
- (h) Pan News

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